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IN THE

Supreme Court of the United States

OCTOBER TERM, 1984

DONALD M. WOODS,

Petitioner,

v.

WILLIAM S. TSUCHIYA,

Respondent.

On Petition For Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

BRIEF FOR TSUCHIYA IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

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GENERAL STATEMENT

This case comes before the Court upon a petition by Woods for writ of certiorari to the United States Court of Appeals for the Federal Circuit, upon an interference proceeding between petitioner Woods and respondent Tsuchiya, in the United States Patent and Trademark Office. Tsuchiya opposes the petition.

The Proceedings Below

The Woods petition discusses the nature of the subject matter, and purports to set forth a history of the proceedings below. It includes (pages A-1 to A-23) a transcript

of the decision by the Court of Appeals,[1] and at pages A-24 to A-39, a transcript of the decision by the Board of Patent Interferences.[2] However, we should like to set forth a brief chronology of the proceedings below as seen by the respondent.

The earlier interference between the parties, No. 99,553, occurred while both parties had pending patent applications. There was one interference count, which is set forth in the petition, at the top of page A-4.

During the interference, the party Woods brought a motion to add an additional count, which we mention because Woods here seeks to rely heavily upon this fact. This claim, or proposed count, is recited in the decision of the Court below, and appears at the bottom of page A-4 of the Woods petition. The present interference counts, or at least some of them, are also set forth in the decision of the court below, and here appear in the petition pages A-2 and A-3.

Woods would now argue, for whatever bearing it might have, that the proposed count[3] is "more like" the present interference counts, than is the count of the previous interference. But in the proceedings below, and as is factual, both parties have been in agreement:

> "that the additional count and the original count in the first interference are patentably distinct from each other and from the counts of the first interference".

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[1] Reported 754 F.2d 1571; 225 USPQ 11.

[2] Reported 220 USPQ 984.

[3] Which was held by the Examiner to be unpatentable, and was never added to the interference.

See decision of the Court below, lines 1-5, top of Woods petition, page A-5.

Which claims may be "more like" other claims is a matter of debate, and also a matter of inconsequence. Inasmuch as the count of the previous interference and the counts of the present interference have all been found to be patentable, whereas the proposed count was not an acceptable claim, we cannot agree with Woods that the proposed count and the present interference counts are similar.

As the earlier interference, No. 99,553 progressed, questions of "derivation" arose.[4] Derivation in a patent interference case is when one party derives or is alleged to derive the invention from the other.

Tsuchiya thereupon moved for discovery, which was granted by the Board; and after due proceedings had, the Board held that Woods had not complied with the Board's discovery order, and entered an adverse judgment against Woods. Woods took a petition to the Commissioner from the Board's decision, which petition was denied.[5] The Commissioner indicated that Woods' route was to seek judicial review of the final decision of the Board (petition A-35, line 2) but Woods elected not to seek such judicial review.

Upon termination of interference No. 99,553, Woods resumed ex parte prosecution with his application, and obtained allowance from the Primary Examiner of the claims which constitute the counts of the present interference. Tsuchiya saw these claims upon issuance of the

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[4] Decision of the court below, petition page A-5, line 11.

[5] Reported 207 USPQ 228.

Woods patent, and copied them for interference purposes, whereupon the present interference No. 100,928 was declared.

Upon declaration of the present interference both parties filed motions, upon which rulings were made by the Primary Examiner and the Board, the material ruling here being that upon the basis of the foregoing, the Board held that Woods is estopped to assert the interference counts, thus awarding priority of invention to Tsuchiya. Upon appeal to the Court of Appeals the Board's decision was affirmed (Judge Miller dissenting). The Court adhered to its decision on petition for rehearing and suggestion for rehearing *en banc*.

Comments with Respect to the Petitioner's Statement of "Questions Presented"

Upon page 1, petitioner lists the "Questions Presented" by the present petition.

As to Question 1, it is respectfully submitted that the terminology used is confusing and inaccurate insofar as the concluding line states or seeks to imply that the subject matter of the present interference counts is that of the claim of the Woods motion to add. As has been previously discussed, it has heretofore been "undisputed" both by Woods and Tsuchiya that both the additional count and the original count of interference No. 99,553, are patentably distinct from the counts of the present interference.

As to the second question listed by petitioner, the Court of Appeals and the Board of Patent Interferences did not commit improper judicial rulemaking, nor engage in rewriting of any Patent Office rule.

ARGUMENT

Both the Board of Patent Interferences and the Court of Appeals decided the present case upon the long-established rule that a final judgment in an interference is conclusive of all matters which were adjudicated, and also all matters which might have been adjudicated (Court of Appeals Decision Pet. page A-18); citing *Stoudt v. Guggenheim*, 651 F.2d 760, 764, 210 USPQ 359, 363 (CCPA 1981); which in turn cites *Blackford v. Wilder*, 28 App.D.C. 535, 1907 CD 491 (App.D.C. 1907)—Petition, top page A-37.

This rule has been long established, is proper, and has been properly applied both by the Board and the Court in the present case. There is no conflict with Patent Office Rule 257 (37 CFR Sec. 1.257). This rule sets forth that an award of priority based *solely upon ancillary matters* "shall not disturb the presumption of priority which favors a senior party. In the present case both the Court and the Board have held that the rule does not apply.

The common situation for the application of Rule 257 is where a first party moves to dissolve an interference upon the ground that the second party's application does not support the interference count; and the motion is denied by the Primary Examiner. If the matter is then again raised at final hearing, and the Board disagrees with the Examiner, the Board lacks jurisdiction to make a ruling other than to award priority against the party whose case does not support the count. This is the conventional "ancillary matter" and is tantamount to a ruling that the interference should never have been declared in the first place.

The present interference is not such a situation. Here both the Board and the Court have held that the award of priority against Woods in prior interference No. 99,553 was an award of priority upon the merits, and not merely upon an ancillary matter. The Court said (page A-18):

> "In the instant case, the discovery order related to evidence bearing directly on the heart of the first interference—originality and derivation. Woods' refusal was the exact equivalent of a refusal to produce evidence going to the very issue of whether he had the priority he claimed. These were per se priority questions."

Both the Board and the Court were fully cognizant of Rule 257, and held that it does not here apply.

While the Court, in its decision (A-16), refused to delineate the metes and bounds of Rule 257, no uncertainty was exhibited by the Court (or by the Board) that the judgment in prior interference No. 99,553 is not within the rule and was an award of priority upon the merits.

CONCLUSION

The case for the petitioner Woods has been fully considered in prior interference No. 99,553, by the Board of Patent Interferences, and upon petition by the Commissioner of Patents. In the present interference No. 100,928 petitioner's position has been considered by the Board of Patent Interferences, and by the Court of Appeals, and again by the Court upon petition for rehearing, and upon suggestion for rehearing *en banc*. Having been fully informed, both the Court and the Board have applied the long-standing rule of *Blackford v. Wilder* and *Stoudt v. Guggenheim*, and have found no conflict with Patent Office Rule 257 (37 CFR 1.257).

It is respectfully submitted that the Woods petition for certiorari should be denied.

Respectfully submitted,

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